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UNCLAS SECTION 01 OF 02 MANAMA 000370

SIPDIS

DEPT FOR NEA/ARP AND EB/TPP/MTA/MST ADILWORTH  
DEPT PASS USTR JASON BUNTIN, AND JEAN GRIER  
USDOC FOR JLIUZZI AND SPIETAN

E.O. 12958: N/A

TAGS: [EAGR](#) [ECON](#) [ETRD](#) [PREL](#) [BA](#)

SUBJECT: POST RESPONSE: U.S.-BAHRAIN FTA GOVERNMENT  
PROCUREMENT

REF: STATE 52560

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Post-proposed additions to the GOB's list of government  
entities that may be of interest to U.S. suppliers  
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1. Post believes that the following should be ADDED to the  
list of government entities that conduct procurements that  
may be of interest to U.S. suppliers:

--Royal Court  
--Prime Minister's Court  
--Crown Prince's Court

The following have independent budgets and so should also be  
included:

--Bahrain Defence Force (BDF)  
--Civil Service Bureau  
--National Audit Court  
--Directorate of Legal Affairs  
--Bahrain Customs and Ports Directorate  
--Bahrain Stock Exchange  
--Cultural and National Heritage Directorate  
--Tourism and Marketing Directorate  
--Publications Directorate  
--Housing Bank  
--Bahrain Monetary Agency  
--Bahrain Stock Exchange  
--University of Bahrain  
--Bahrain Training Institute  
--Bahrain Center for Studies & Research  
--Bahrain International Circuit  
--Supreme Council for Women  
--Specific Councils  
--Supreme Council for Profession Training  
--Bahrain Institute of Banking and Finance

Entities covered by the Tenders Law all have the potential to  
conduct significant procurements that could be of interest to  
U.S. suppliers.

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State Owned Enterprises  
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2. State owned enterprises (SOEs) in which the government has  
a greater than 50 percent ownership and that conduct  
procurements that could be of interest to U.S. suppliers:

--Bahrain National Gas Company (Banagas): 75 percent state  
ownership (SO)  
--Bahrain Petroleum Company (Bapco): 100 percent SO  
--Aluminium Bahrain (ALBA): 77 percent SO (NOTE: A  
recently-signed MOU with ALCOA would give ALCOA a 26 percent  
stake in ALBA, leaving the GOB with a 51 percent stake.  
Please discuss inclusion of ALBA in the Agreement with ALCOA.  
END NOTE).  
--Bahrain Development Bank: 100 percent SO  
--Bahrain Flour Mills (BFM): 65.73 percent SO  
--Bahrain Monetary Agency (NOTE: This is Bahrain's Central  
Bank. END NOTE)  
--Bahrain Stock Exchange  
--Mina Salman and Hidd Ports (Customs and Ports Directorate,  
Ministry of Finance, but managed by a private company): 100  
percent SO

3. The following enterprises identified as SOEs reftel do not  
meet the 50 percent state ownership (SO) threshold:

--Gulf Aluminium Rolling Mill Company (GARMCO): 25.47 percent  
SO  
--Bahrain Aluminium Extrusion Company (BALEXCO): 15.76  
percent SO  
--Arab Shipbuilding and Repair Yard (ASRY): 18.84 percent SO  
--Gulf Air (co-owned by Bahrain, Oman and Abu Dhabi): GOB  
owns 33 percent  
--Bahrain Telecommunications Company (BATELCO): 29.6 percent  
SO  
--Bahrain International Airport: 16.5 percent SO

14. No Commercial Registration records were found for the following:

- Gulf Aluminium Industries (joint venture between Bahrain and Italy)
- Bahrain Atomisers International
- Bahrain-Saudi Aluminium Marketing Company (BALCO)

15. The following enterprises listed as SOEs reftel are not SOEs:

- Al Ayam (The Days) (Pro-King newspaper, but not SO)
- Akhbar al Khaliij (Gulf News) (Pro-Government, but not SO)
- Gulf Daily News (English-language newspaper) (Pro-Government, but not SO)
- Bahrain ABC Islamic Bank

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